

EXHIBIT A
DECLARATION OF M. COY CONNELLY

**THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

**DESERT ROCK ENERGY COMPANY,
LLC AND THE DINÉ POWER
AUTHORITY,**

Plaintiffs

VS.

**U.S. ENVIRONMENTAL PROTECTION
AGENCY AND STEPHEN L. JOHNSON,
ADMINISTRATOR, U.S.
ENVIRONMENTAL PROTECTION
AGENCY,**

Defendants

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CIVIL ACTION NO. 4:08-CV-872

DECLARATION OF M. COY CONNELLY

1. My name is M. Coy Connelly. I reside in Houston, Texas, am over twenty-one years of age, have never been convicted of a crime, and I am competent to make this declaration. I have personal knowledge of all of the facts stated in this declaration.

2. Bracewell & Giuliani LLP ("Bracewell") represents Desert Rock Energy Company, LLC ("Desert Rock") in the above styled lawsuit. I am the Attorney-in-Charge for Desert Rock, and have worked in conjunction with my partner Jeffrey R. Holmstead and other Bracewell colleagues to prosecute this matter. Bracewell provides legal services to clients of all sizes throughout the State of Texas, nation and world. It was most recently ranked as the 112th highest grossing firm in the nation by The American Lawyer. THE AMERICAN LAWYER (2008), <http://www.datacert.com/Customers/AmLaw200.asp> (last visited Feb. 20, 2009). Additionally, American Lawyer Media, publisher of top print and online legal journals such as American Lawyer and Corporate Counsel, has named Bracewell as one of the nation's "Go-To" law firms.

3. I am a partner in Bracewell's Houston office and have practiced law in this geographic area for over 13 years. I was admitted to practice in Texas in 1995, and am licensed to practice in all U.S. District Courts within the state. My law degree is from Southern Methodist University. My specialties include environmental litigation related to soil and groundwater contamination, Superfund sites, personal injuries, permitting issues, insurance coverage and regulatory enforcement. I am familiar with the customary rates charged for these types of representation in the Houston market.

4. From January 2008 through January 2009, Desert Rock has incurred attorneys' fees and costs in connection with this matter. The amounts being sought by Desert Rock total \$301,960.23, and are detailed in Attachment 1 to this Declaration, which was compiled from contemporaneously created billing records. I have reduced the amounts being sought by Desert Rock to ensure that any unnecessary time entries have been removed.

5. Throughout the litigation Bracewell provided its services at discounted rates. The amounts listed on Attachment 1 consist of time billed by me at a rate of \$405 per hour (\$440 in 2009); by Jeffrey Holmstead, a Bracewell partner, at \$697.50 per hour (\$700 in 2009); by Jeremiah Sheehan, in-house counsel for Desert Rock, at \$650 per hour; Richard Alonso, of counsel at Bracewell, at \$360 per hour (\$425 in 2009); Eduardo Pérez, an associate attorney, at \$283 per hour (\$337.50 in 2009); and Benjamin Patton, an associate attorney, at \$216 per hour (\$238.50 in 2009).

6. Standard billing rates for partners in Bracewell's Houston office range from \$395 per hour to \$800 per hour (average \$597.50). Its associate rates range from \$220 per hour to \$475 per hour (average \$347.50). These rates are customary and reasonable for a large firm in the

Houston area. The rates being sought by Desert Rock are consistent with rates customarily charged by the larger law firms in the Houston market.

7. This lawsuit required legal research on novel issues of law, the preparation of and response to motions, the use of online legal research services, and considerable communication with Desert Rock as well as other parties. The issues relate to a highly complicated permitting process under the Clean Air Act, and required substantial consideration of that statute as well as the relevant regulatory framework. For these reasons, this lawsuit has required the expertise of attorneys of exceptional familiarity with the agency and statutory framework, including Jeffrey Holmstead, former head of EPA's Office of Air and Radiation.

8. Desert Rock's attorneys' fees are reasonable for the Houston geographic area, are reasonable for a case of similar nature, and were expended in the prosecution of this action.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 20th day of February, 2009.

/s/ M. Coy Connelly

M. Coy Connelly

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
1/2/2008	Research necessary steps for notice letter and district court complaints.	J. Holmstead	1.60	\$1,116.00
1/3/2008	Conference call with D. Straussfeld regarding 60-day notice letter and potential litigation to obtain PSD permit.	J. Holmstead	1.00	\$697.50
1/8/2008	Prepare for and participate in conference call regarding potential lawsuit with D. Straussfeld, DPA and Navajo Nation; review and revise paper regarding lawsuit options.	J. Holmstead	1.90	\$1,325.25
1/8/2008	Research requirements for intent to sue letter.	R. Alonso	1.50	\$540.00
1/9/2008	Review and revise draft 60-day notice letter; prepare for and participate in conference call with D. Straussfeld, J. Sheehan, DPA; Navajo Nation regarding potential lawsuit; follow-up calls and emails with D. Straussfeld and Sheehan.	J. Holmstead	2.40	\$1,674.00
1/9/2008	Review and comment on draft 60-day notice letter; prepare for and participate in conference call with D. Straussfeld, J. Holmstead, DPA, and Navajo Nation regarding possible lawsuit; follow-up calls and emails with Straussfeld and Holmstead.	J. Sheehan	2.00	\$1,300.00
1/9/2008	Attend conference call on citizen suit notice letters draft citizen suit notice letter for Navajo Nation; discussions with J Holmstead; research reasonable delay cause of action under the Administrative Procedures Act.	R. Alonso	3.45	\$1,242.00
1/10/2008	Finalize draft of 60-day notice letter and various email exchanges regarding same.	J. Holmstead	0.80	\$558.00
1/10/2008	Draft Sithe's Notice of Intent to Sue EPA for failure to act and issue the Desert Rock PSD permit; discussions with J. Holmstead	R. Alonso	2.00	\$720.00

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
1/11/2008	Prepare for and participate in conference call with Navajo Nation and DPA regarding possible lawsuit and 60-day notice letter; draft white paper for meeting with President Shirley; review and revise Navajo letter; draft Sithe notice letter; follow-up conference call with Navajo Nation and DPA; telephone call with Nathan Plagens regarding Navajo role in litigation.	J. Holmstead	5.00	\$3,487.50
1/14/2008	Review and revise draft 60-day notice letter; meet with R. Alonso regarding litigation strategy; prepare for and participate in conference call with D. Straussfeld, DPA and Navajo Nation to discuss notice letters and litigation; conference call with D. Straussfeld and J. Sheehan regarding lawsuit.	J. Holmstead	3.40	\$2,371.50
1/14/2008	Review and comment on draft 60-day notice letter; prepare for and participate in conference call with D. Straussfeld and J. Holmstead regarding possible lawsuit.	J. Sheehan	1.50	\$975.00
1/14/2008	Attend conference call with Navajo Nation; prepare citizen suit letter; discussion with J. Holmstead regarding litigation options.	R. Alonso	2.25	\$810.00
1/15/2008	Review and revise Sithe and Navajo notice letters; review notice requirement for mandatory duty and unreasonable delay cases; phone calls and emails with J. Sheehan, D. Straussfeld and D. McCourt.	J. Holmstead	3.50	\$2,441.25
1/15/2008	Review Sithe and DPA notice letters; phone calls re lawsuit with D. Straussfeld and J. Holmstead.	J. Sheehan	2.00	\$1,300.00
1/15/2008	Research Air Act citizen suit cases relating to court jurisdictions; attend conference call; draft citizen suit notice of intent to sue.	R. Alonso	6.45	\$2,322.00

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
1/16/2008	Review and revise 60-day notice letter; review and revise memo on filing and venue strategy; various email exchanges with D. Straussfeld and J. Sheehan.	J. Holmstead	2.80	\$1,953.00
1/16/2008	Review Holmstead memo on filing and venue strategy; email exchanges with D. Straussfeld and J. Holmstead.	J. Sheehan	1.50	\$975.00
1/16/2008	Finalize research and draft memorandum to Sithe on citizen suit venue and possible filing strategies.	R. Alonso	5.00	\$1,800.00
1/17/2008	Telephone call with D. Straussfeld regarding notice letter; prepare for and participate in conference call with Navajo Nation; follow-up call with D. Straussfeld and R. Alonso to arrange for filing; review and revise filing and venue strategy memo.	J. Holmstead	2.60	\$1,813.50
1/17/2008	Finalize intent to sue letter to EPA.	R. Alonso	2.50	\$900.00
1/29/2008	Various telephone calls and email exchanges with D. Straussfeld, D. McCourt and Navajo team regarding next steps; prepare for meeting with J. Burnett regarding litigation.	J. Holmstead	1.70	\$1,185.75
2/15/2008	Telephone call with D. McCourt regarding meeting with S. Johnson regarding permit.	J. Holmstead	0.80	\$558.00
2/25/2008	Review and revise litigation strategy; telephone call with D. Straussfeld regarding additional options for persuading EPA to issue permit; prepare for and participate in conference call with D. Straussfeld and Navajo Nation regarding EPA meeting and litigation.	J. Holmstead	2.50	\$1,743.75
2/27/2008	Draft litigation memo.	J. Holmstead	2.30	\$1,604.25
2/28/2008	Telephone call with D. Straussfeld regarding litigation options; review venue research and filing schedule; draft litigation memo.	J. Holmstead	2.20	\$1,534.50

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
2/28/2008	Research and analyze cases and statutes to determine if attorneys' fees may be awarded for action against EPA; draft email on findings.	R. Alonso	1.75	\$630.00
2/29/2008	Finalize and distribute litigation memo.	J. Holmstead	1.00	\$697.50
2/29/2008	Discussions with J. Holmstead on litigation strategy against EPA.	R. Alonso	0.50	\$180.00
3/3/2008	Review venue options; review and revise draft complaint.	J. Holmstead	1.20	\$837.00
3/3/2008	Research citizen suit actions under the Clean Air Act; draft complaint against EPA for its failure to timely act on PSD permit application; discussions with J. Holmstead.	R. Alonso	4.00	\$1,440.00
3/4/2008	Review and revise draft complaint; discuss litigation issues with R. Alonso.	J. Holmstead	2.30	\$1,604.25
3/4/2008	Research Clean Air Act citizen suit issues and draft complaint against EPA for failure to issue the PSD permit.	R. Alonso	7.00	\$2,520.00
3/5/2008	Review and revise draft complaint; conference call with D. Straussfeld and J. Sheehan regarding complaint; follow-up conference call with D. Straussfeld and Sheehan; draft joint plaintiffs agreement; exchange emails with D. Straussfeld.	J. Holmstead	4.00	\$2,790.00
3/5/2008	Review and comment on draft complaint; conference calls with D. Straussfeld and J. Holmstead regarding complaint.	J. Sheehan	2.50	\$1,625.00
3/5/2008	Finalize complaint to be filed against EPA; attend conference call with Sithe; discussions with J. Holmstead on litigation strategy and venue issues.	R. Alonso	3.50	\$1,260.00
3/7/2008	Discussion with D. Straussfeld, S. Segal, and N. Wodka regarding Johnson meeting; exchange emails with D. MaCourt regarding complaint and Joint Plaintiffs Agreement.	J. Holmstead	1.40	\$976.50

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
3/10/2008	Various Telephone calls and emails with D. Staussfeld regarding Johnson meeting and potential litigation; telephone call with B. Doster from EPA regarding potential settlement; review possible protocols for litigation-related documents; Telephone call with D. MacCourt regarding involvement of DPA and Navajo Nation.	J. Holmstead	3.00	\$2,092.50
3/11/2008	Prepare document protocol for Joint Plaintiffs Confidentiality Agreement; prepare email to New Mexico counsel relation to venue questions; research District Court statistics; discussions with J. Holmstead.	R. Alonso	5.50	\$1,980.00
3/12/2008	Review and revise document handling protocol and joint common interest agreement; review and revise venue analysis; follow-up conference calls with D. Straussfeld and D. MacCourt regarding Johnson meeting.	J. Holmstead	4.00	\$2,790.00
3/12/2008	Conference call with J. Holmstead and N. Wodka re Desert Rock lawsuit.	J. Sheehan	1.00	\$650.00
3/12/2008	Attend conference call with Navajo Nation; finalize memorandum on venue issues for EPA lawsuit.	R. Alonso	4.00	\$1,440.00
3/13/2008	Conference call with New Mexico Firm regarding district court judges; conference call with J. Barr and S. Kelley regarding judges in Houston Division; prepare for and participate in conference call with Navajo Nation and DPA to finalize complaint and filing strategy; finalize memo analyzing venue options; review comments on draft complaint.	J. Holmstead	6.50	\$4,533.75

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
3/14/2008	Research and analyze PSD regulations permit applicant notification requirements; discussions with J. Holmstead and S. Kelly on litigation strategy issues.	R. Alonso	3.00	\$1,080.00
3/17/2008	Research rules and mechanics regarding electronic filing of complaint, service of process, and pro hac vice applications; correspondence and telephone conferences with C. Connelly and R. Alonso regarding finalizing and filing complaint and related pleadings.	E. Pérez	4.00	\$1,134.00
3/17/2008	Review research on jurisdictional and venue issues; draft email regarding same; review and revise complaint; review and revise joint prosecution, common interest, and confidentiality agreement; prepare for and participate in various conference calls with D. Straussfeld, J. Sheehan, DPA and Navajo Nation; revise complaint to remove Navajo nation as a party; confer with R. Alonso regarding filing.	J. Holmstead	6.20	\$4,324.50
3/17/2008	Review and comment on joint prosecution, common interest, and confidentiality agreement; prepare for and participate in various conference calls with D. Straussfeld, J. Holmstead, DPA and Navajo Nation.	J. Sheehan	3.00	\$1,950.00
3/17/2008	Review and comment on draft complaint.	M.C. Connelly	1.80	\$729.00
3/17/2008	Work with E. Perez on Southern District of Texas filing requirements and research of admittance to practice issues.	M.C. Connelly	1.40	\$567.00
3/17/2008	Multiple discussions with R. Alonso regarding lawsuit versus EPA and filing logistics.	M.C. Connelly	1.30	\$526.50
3/17/2008	Finalize complaint for filing; coordinate with litigation; conference call with Sithe Global.	R. Alonso	7.75	\$2,790.00

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
3/18/2008	Attention to finalization of complaint and related documents to be filed; correspondence and telephone conferences with C. Connelly and R. Alonso regarding same; attention to electronic filing of complaint.	E. Pérez	12.90	\$3,657.15
3/18/2008	Prepare for and participate in conference call with D. Straussfeld, J. Sheehan, Navajo Nation, and DPA regarding litigation strategy; various follow-up calls with Sithe and DPA; revise and finalize complaint; revise and finalize Joint Prosecution Agreement; arrange for filing; press calls regarding litigation; exchange emails regarding litigation.	J. Holmstead	4.80	\$3,348.00
3/18/2008	Prepare for and participate in conference call with D. Straussfeld, J. Holmstead, Navajo Nation, and DPA regarding litigation strategy; review final complaint and Joint Prosecution Agreement.	J. Sheehan	2.50	\$1,625.00
3/18/2008	Numerous communications with R. Alonso and E. Perez regarding revisions to and filing of original complaint.	M.C. Connelly	0.80	\$324.00
3/18/2008	Conference call with Sithe and counsel for DPA; prepare complaint and litigation documents for filing; strategy discussions with J. Holmstead.	R. Alonso	7.25	\$2,610.00

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
3/19/2008	Review scheduling order issued by the court; conference call with C. Connelly, R. Alonso, and J. Holmstead regarding scheduling issues and timing of motions; research judge's background and rules regarding government's answer deadlines; research rules to ensure proper service of process and attention to correction and issuance of summonses; research availability of fast track proceedings in district court; correspondence regarding all of the foregoing; review correspondence with client regarding case status and developments.	E. Pérez	5.20	\$1,474.20
3/19/2008	Review scheduling order and background on judge; review local rules on timing and filing of motions; draft email regarding next steps.	J. Holmstead	3.00	\$2,092.50
3/19/2008	Work on procedural aspects of lawsuit, including review of order for conference and attention to research issues.	M.C. Connelly	0.80	\$324.00
3/19/2008	Attention to analysis of early procedural options to expedite resolution of case.	M.C. Connelly	0.60	\$243.00
3/19/2008	Telephone conference with J. Holmstead and R. Alonso regarding service, judge background and motion strategy.	M.C. Connelly	0.50	\$202.50
3/19/2008	Research Judge Melinda Harmon for report to client.	M.C. Connelly	0.50	\$202.50
3/19/2008	Attention to proper service of process on defendants.	M.C. Connelly	0.40	\$162.00
3/19/2008	Revise e-mail to client regarding litigation strategy and schedule.	M.C. Connelly	0.30	\$121.50
3/24/2008	Conference calls with M.C. Connelly and D. Straussfeld regarding litigation schedule and Certificate of Interested Parties; review draft of same.	J. Sheehan	1.00	\$650.00

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
3/24/2008	Telephone conference with J. Sheehan and D. Straussfeld regarding litigation strategy and schedule.	M.C. Connelly	0.70	\$283.50
3/24/2008	Prepare Certificate of Interested Parties.	M.C. Connelly	0.50	\$202.50
3/24/2008	Call with R. Alonso in preparation for call with client.	M.C. Connelly	0.20	\$81.00
3/24/2008	Communicate with J Sheehan regarding draft Certificate of Interested Parties.	M.C. Connelly	0.20	\$81.00
3/24/2008	Conference call with Sithe on litigation strategy; discussions with C. Connelly on litigation strategy and prepare corporate discloser.	R. Alonso	1.25	\$450.00
3/25/2008	Analyze corporate structure chart, research rules regarding disclosure statements, and draft disclosure of interested parties; correspondence and telephone conferences with C. Connelly and R. Alonso regarding same.	E. Pérez	3.20	\$907.20
3/25/2008	Attention to discussions among counsel and client regarding interested party disclosure and brief review of organization chart.	M.C. Connelly	0.40	\$162.00
3/25/2008	Review draft disclosure of interested parties.	M.C. Connelly	0.30	\$121.50
3/25/2008	Prepare and finalize email to J. Homstead and N. Wodka providing summary of conference call with Sithe on litigation schedule issues.	R. Alonso	0.75	\$270.00
3/26/2008	Attention to correspondence regarding draft disclosure of interested parties and clarification of entities to be included, minor draft revisions, and attention to scheduling of conference call to discuss possible revisions.	E. Pérez	1.50	\$425.25
3/26/2008	Communicate with Connelly re Disclosure of Interested Parties.	J. Sheehan	0.50	\$325.00
3/26/2008	Review new draft Disclosure of Interested Parties and discuss with E. Perez.	M.C. Connelly	0.70	\$283.50

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
3/26/2008	Communicate with J. Sheehan regarding strategy options for Disclosure of Interested Parties.	M.C. Connelly	0.40	\$162.00
3/27/2008	Conference call with J. Sheehan (Sithe), R. Alonso, and C. Connelly regarding drafting and filing of disclosure of interested parties; research regarding procedure for filing disclosure under seal; correspondence with J. Sheehan et al. regarding rule under which disclosure is being filed and possibility of filing under seal.	E. Pérez	1.40	\$396.90
3/27/2008	Review correspondence with DPA and client regarding draft disclosure of interested parties.	E. Pérez	0.30	\$85.05
3/27/2008	Conference call with J. Sheehan regarding Disclosure of Interested Parties to Court.	M.C. Connelly	0.50	\$202.50
3/27/2008	Attention to client's ability to file Disclosure of Interested Parties under seal.	M.C. Connelly	0.50	\$202.50
3/27/2008	Attend conference call with Sithe on disclosure statement; coordinate with DPA on litigation and upcoming filing; telephone conference with Brian Doster with EPA's Office of General Counsel for update on DOJ attorney assignment.	R. Alonso	1.75	\$630.00
3/28/2008	Conference call with J. Sheehan, R. Alonso, C. Connelly, and DPA counsel regarding drafting and filing of disclosure of interested parties.	E. Pérez	0.50	\$141.75
3/28/2008	Attention to correspondence from R. Alonso regarding DPA's draft disclosure of interested parties.	E. Pérez	0.20	\$56.70
3/28/2008	Conference call with R. Alonso, C. Connelly, and DPA counsel regarding drafting and filing of Disclosure of Interested Parties.	J. Sheehan	1.00	\$650.00

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
3/28/2008	Participate in conference call with co-counsel and client regarding disclosure of interested parties and overall lawsuit strategy.	M.C. Connelly	0.90	\$364.50
3/28/2008	Telephone conference with R. Alonso regarding agenda for this afternoon's conference call and status of negotiations with EPA.	M.C. Connelly	0.30	\$121.50
3/28/2008	Attend conference call with Sithe and DPA counsel regarding financial disclosure filing; discussions with C. Connelly in preparation for conference call with Sithe; review DPA's financial disclosure document.	R. Alonso	1.25	\$450.00
3/31/2008	Review developments over last week; meet with R. Alonso regarding litigation strategy; review draft memo on permit challenges.	J. Holmstead	1.40	\$976.50
3/31/2008	Discussions with J. Holmstead on current litigation activities.	R. Alonso	0.25	\$90.00
4/1/2008	Attention to correspondence regarding disclosures of interested parties and review latest draft disclosure.	E. Pérez	0.30	\$85.05
4/1/2008	Review and consider draft disclosure of interested parties from J. Sheehan.	M.C. Connelly	0.30	\$121.50
4/1/2008	Review draft disclosure of interested parties from D. MacCourt for DPA.	M.C. Connelly	0.20	\$81.00
4/1/2008	Email to DPA to obtain status of Disclosure of Interested Parties; discussion with N. Wodka on status of litigation.	R. Alonso	0.50	\$180.00
4/2/2008	Begin research regarding analysis of motions for judgment on the pleadings or for summary judgment; discuss same with C. Connelly.	E. Pérez	2.00	\$567.00
4/2/2008	Attention to correspondence regarding latest drafts of disclosures of interested parties and filing of same.	E. Pérez	0.20	\$56.70

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

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Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
4/2/2008	Prepare for and participate in conference call with D. Straussfeld, J. Sheehan and B&G litigation team to discuss litigation strategy; prepare for and participate in conference call with D. Straussfeld.	J. Holmstead	1.40	\$976.50
4/2/2008	Prepare for and participate in conference call with D. Straussfeld and J. Holmstead to discuss litigation strategy.	J. Sheehan	1.00	\$650.00
4/2/2008	Participate in conference call with J. Sheehan and D. Straussfeld regarding litigation strategy.	M.C. Connelly	0.50	\$202.50
4/2/2008	Revise Desert Rock disclosure of interested parties per comments of J. Sheehan on conference call and circulate to team.	M.C. Connelly	0.50	\$202.50
4/2/2008	E-mail to D. MacCourt with suggested revisions to disclosure of interested parties.	M.C. Connelly	0.40	\$162.00
4/2/2008	Meet with E. Perez regarding research of procedural mechanisms for dispositive motion.	M.C. Connelly	0.40	\$162.00
4/2/2008	Telephone conference with N. Wodka and D. Straussfeld regarding third party companies that stand to benefit from the project and the need to disclose.	M.C. Connelly	0.30	\$121.50
4/2/2008	Conference call with Sithe on litigation schedule; discussion with C. Connelly on motion for summary judgment options and finalize filing for Disclosure of Interested Parties.	R. Alonso	1.25	\$450.00
4/3/2008	Continued research and drafting of memo analyzing possible motions for judgment of the pleadings or for summary judgment.	E. Pérez	5.50	\$1,559.25
4/3/2008	Review corporate disclosure and communicate with Connelly regarding filing details.	J. Sheehan	0.50	\$325.00
4/3/2008	Review and revise memo analyzing dispositive motion options.	M.C. Connelly	1.60	\$648.00

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
4/3/2008	Attention to finalizing and filing Disclosure of Interested Parties.	M.C. Connelly	1.30	\$526.50
4/3/2008	Telephone conference with counsel for DPA regarding filing logistics and service.	M.C. Connelly	0.60	\$243.00
4/3/2008	Meet with E. Perez regarding dispositive motion strategy.	M.C. Connelly	0.60	\$243.00
4/3/2008	Telephone conference with J. Sheehan regarding filing details.	M.C. Connelly	0.30	\$121.50
4/4/2008	Finalize drafting of memo regarding analysis of possible motions and correspond with J. Holmstead and R. Alonso regarding same.	E. Pérez	1.10	\$311.85
4/4/2008	Final revisions to memo analyzing dispositive motion options.	M.C. Connelly	1.70	\$688.50
4/4/2008	Telephone conference with R. Alonso regarding standing of Desert Rock to enforce statutory permit obligations.	M.C. Connelly	0.30	\$121.50
4/4/2008	Communicate with D MacCourt regarding proper filing of Disclosures of Interested parties.	M.C. Connelly	0.20	\$81.00
4/7/2008	Conference call with B. Doster for update on DOJ attorney assignment.	R. Alonso	0.25	\$90.00
4/10/2008	Research and correspondence with C. Connelly regarding EPA service issues.	E. Pérez	1.10	\$311.85
4/11/2008	Discuss EPA service issues and case status with C. Connelly.	E. Pérez	0.20	\$56.70
4/23/2008	Investigate and prepare proof of service of process affidavit for filing with Court.	M.C. Connelly	1.20	\$486.00
4/28/2008	Attention to correspondence regarding filing of proof of service.	E. Pérez	0.20	\$56.70
4/30/2008	Finalize and file proof of service affidavit.	M.C. Connelly	0.50	\$202.50
5/2/2008	Exchange emails with B. Doster regarding settlement discussion; exchange emails with D. MacCourt regarding DPA and settlement issues.	J. Holmstead	0.40	\$279.00

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
5/2/2008	Discussions with J. Holmstead on settlement strategy with EPA and DOJ.	R. Alonso	0.75	\$270.00
5/5/2008	Telephone call with R. Alonso regarding call from Doster; Various telephone call s with D. Straussfeld regarding settlement strategy; various telephone calls with D. MacCourt regarding settlement strategy; exchange emails with D. Straussfeld and D. MacCourt.	J. Holmstead	0.90	\$627.75
5/5/2008	Conference call with Holmstead and Alonso in preparation of settlement discussions with U.S.	J. Sheehan	1.50	\$975.00
5/5/2008	Conference call with EPA to setup settlement meeting; strategy discussions with J. Holmstead; conference call with Sithe in preparation of settlement discussions with U.S.	R. Alonso	2.25	\$810.00
5/6/2008	Work with R. Alonso on drafting of talking points regarding case status and strategy for use in client board meeting.	E. Pérez	2.50	\$708.75
5/6/2008	Prepare for and participate in conference call with EPA and DOJ about possible settlement; various phone calls and email exchanges with D. Straussfeld, D. MacCourt and R. Alonso.	J. Holmstead	3.20	\$2,232.00
5/6/2008	Outline settlement strategy in preparation of settlement negotiations; attend settlement negotiations with U.S.; prepare briefing paper on status of settlement discussions for board meeting.	R. Alonso	6.00	\$2,160.00
5/7/2008	Participate in Board meeting via conference all; follow-up telephone calls with D. Straussfeld and J. Sheehan; telephone calls with B. Doster and D. Gunter regarding settlement offer.	J. Holmstead	5.50	\$3,836.25
5/7/2008	Communicate with Holmstead re status of litigation and possible settlement; prepare for and attend Board meeting regarding Desert Rock litigation.	J. Sheehan	3.00	\$1,950.00

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
5/7/2008	Telephone conference with R. Alonso regarding settlement structure and strategy.	M.C. Connelly	0.30	\$121.50
5/7/2008	Discussions with J. Holmstead on litigation and settlement strategy; send email to DOJ on status of settlement offer; research and strategic possible theories to tie-in entire permitting process into settlement.	R. Alonso	3.00	\$1,080.00
5/8/2008	Review correspondence from R. Alonso regarding strategic options in connection with consent decree.	E. Pérez	0.20	\$56.70
5/8/2008	Review and revise draft Consent Decree; research ways to preserve section 165 (c) cause of action.	J. Holmstead	0.90	\$627.75
5/8/2008	Review and edit draft consent decree sent by United States; research public participation Clean Air Act provisions; discussion with J. Holmstead regarding same.	R. Alonso	3.75	\$1,350.00
5/9/2008	Review and revise language for Consent Decree: telephone call with D. Gunter from DOJ; telephone call with D. MacCourt regarding Consent Decree issues; exchange emails with D. Straussfeld; prepare red lined draft for M. Rosenberg.	J. Holmstead	3.80	\$2,650.50
5/9/2008	Review and comment on draft consent decree; conference call with Holmstead and Alonso re same.	J. Sheehan	1.50	\$975.00

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Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
5/9/2008	Review e-mail from R. Alonso regarding litigation and settlement strategy; telephone conference with R. Alonso regarding details of negotiations with EPA; revise Consent Decree; communicate with R. Alonso regarding revisions to Consent Decree and strategy; consult with J. Holmstead and R. Alonso regarding revisions to Consent Decree and strategy.	M.C. Connelly	2.90	\$1,174.50
5/9/2008	Conference call with Sithe on draft consent decree; discussions with J. Holmstead on strategy of presenting new issues to U.S.; finalize draft consent decree for distribution for internal team.	R. Alonso	2.75	\$990.00
5/12/2008	Review revised consent decree; communicate with Holmstead re same.	J. Sheehan	1.50	\$975.00
5/12/2008	Prepare and review draft consent decree; discuss settlement with J. Holmstead; attend conference call with Sithe on draft consent decree.	R. Alonso	3.25	\$1,170.00
5/13/2008	Review and revise new drafts of Consent Decree language; various telephone calls and emails with D. Straussfeld and D. MacCourt; prepare for and participate in conference call with EPA and DOJ.	J. Holmstead	3.30	\$2,301.75
5/13/2008	Review revised Consent Decree language from Defendant and discuss with R. Alonso and J. Holmstead; comment on Consent Decree changes requested by D. MacCourt.	M.C. Connelly	0.80	\$324.00
5/13/2008	Review and analyze comments from U.S. on draft consent decree; attended conference call with U.S. on draft consent decree; discussion with D MacCourt on DPA comments on consent decree and settlement strategy.	R. Alonso	4.00	\$1,440.00

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Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
5/14/2008	Review updated draft from DOJ; telephone call with D. MacCourt regarding same; telephone call with D. Straussfeld regarding same.	J. Holmstead	1.50	\$1,046.25
5/14/2008	Review e-mail from D. MacCourt regarding attorney fee recovery and respond to J. Holmstead.	M.C. Connelly	0.30	\$121.50
5/14/2008	Review comments from US on draft consent decree; exchange voicemail and emails with DPA counsel; settlement strategy discussions with J. Holmstead.	R. Alonso	2.00	\$720.00
5/16/2008	Review proposed Consent Decree language and comment to J. Holmstead.	M.C. Connelly	1.70	\$688.50
5/19/2008	Review motion to extend answer; discuss release provisions in the draft CD with J. Holmstead.	R. Alonso	1.00	\$360.00
5/20/2008	Review emails from D. MacCourt regarding revisions to Consent Decree language.	M.C. Connelly	0.20	\$81.00
5/21/2008	Research regarding jurisdiction of court to decide motion for attorney's fees after dismissal of lawsuit under terms of proposed consent decree; discuss findings with C. Connelly and telephone conference with R. Alonso and C. Connelly regarding same; attention to correspondence from R. Alonso regarding consent decree negotiations.	E. Pérez	3.00	\$850.50
5/21/2008	Prepare for and participate in conference call with D. Straussfeld and DPA regarding settlement strategy; prepare for and participate in conference call with D. Gunter from DOJ; follow-up discussion with D. Straussfeld and D. MacCourt; draft email to DOJ; draft memo on settlement terms.	J. Holmstead	3.30	\$2,301.75

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Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
5/21/2008	Review new Consent Decree language and attention to attorney fee strategy; work with E. Perez on jurisdiction research; revise Consent Decree dismissal language; telephone conference with R. Alonso regarding jurisdiction research conclusions.	M.C. Connelly	2.50	\$1,012.50
5/21/2008	Attend conference call with Sithe and DPA to discuss settlement issues; discussion with C. Connelly on attorney fees language in consent decree to ensure proper court jurisdiction; review settlement agreement and discussions of settlement strategy with J. Holmstead; prepare summary of EAB and District Court timeline; prepare short memo on status of air permit.	R. Alonso	6.25	\$2,250.00
5/22/2008	Draft memo regarding status of permitting process and litigation; exchange emails with D. Straussfeld and J. Sheehan regarding same.	J. Holmstead	0.50	\$348.75
5/22/2008	Review Holmstead memo regarding status of permitting process and litigation; exchange emails with D. Straussfeld and J. Holmstead re same.	J. Sheehan	0.50	\$325.00
5/27/2008	Review final draft of proposed Consent Decree and proposal to extend DOJ's answer date; exchange emails regarding same.	J. Holmstead	0.70	\$488.25
5/27/2008	Draft memorandum recommending signature of consent decree; review, analyze and prepare final signature-ready consent decree; discussions with DOJ attorney and DPA attorney on next steps and process for obtaining signatures.	R. Alonso	4.00	\$1,440.00
5/28/2008	Draft memorandum recommending signature of consent decree.	R. Alonso	1.50	\$540.00
6/2/2008	Finalize memorandum recommending signature of consent decree; transmit same to Sithe.	R. Alonso	1.50	\$540.00

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Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
6/3/2008	Review and sign final consent decree; telephone call with D. Straussfeld regarding next steps; exchange emails with R. Alonso and D. MacCourt.	J. Holmstead	1.50	\$1,046.25
6/3/2008	Finalize signature package for consent decree; email exchange with Sithe and United States; conference call with D MacCourt; discussions with J. Holmstead.	R. Alonso	1.25	\$450.00
6/4/2008	Attention to certification of filing of consent decree with the Court by the United States; correspondence and teleconference with R Alonso regarding same.	E. Pérez	0.20	\$56.70
6/4/2008	Conference call with DOJ and EPA on lodging of consent decree and Federal Register process, email summary of the call to Sithe.	R. Alonso	0.75	\$270.00
6/5/2008	Communicate with R. Alonso regarding motion for leave to file consent decree.	M.C. Connelly	0.20	\$81.00
6/5/2008	Conference call with DOJ on next steps with settlement document; review court pleadings submitting settlement to the court; draft settlement and litigation status report for Sithe management.	R. Alonso	2.50	\$900.00
6/6/2008	Review Defendants' motion to lodge consent decree.	M.C. Connelly	0.20	\$81.00
6/6/2008	Research Pacer service to verify if settlement agreement was available to the public.	R. Alonso	0.25	\$90.00
6/9/2008	Attention to preparation of motion for extension of time to answer.	E. Pérez	0.90	\$255.15
6/9/2008	Attention to correspondence regarding lodging of consent decree with court and extension of answer deadline.	E. Pérez	0.40	\$113.40

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Sheehan - \$650

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Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
6/9/2008	Review order lodging Consent Decree; telephone conference with R. Alonso regarding EPA answer extension; communicate with D. MacCourt regarding agreement with answer extension; attention to preparation of motion to extend answer date.	M.C. Connelly	1.80	\$729.00
6/9/2008	Attention and participation in email discussion with C. Connelly and D. MacCourt on motion to extend DOJ's answer in light of settlement agreement.	R. Alonso	0.75	\$270.00
6/10/2008	Attention to editing, finalizing, and filing of motion to extend defendants' time to answer.	E. Pérez	1.50	\$425.25
6/10/2008	Review and revise draft motion to extend answer date; communicate with D. MacCourt regarding his client's agreement to deadline to answer extension; telephone conference with R. Alonso regarding extension of answer date issues; telephone conference with D. Gunter regarding plans to request one week extension; communicate to team regarding filing of motion to extend.	M.C. Connelly	2.30	\$931.50
6/10/2008	Email and telephone conversations with C. Connelly on motion to extend US answer.	R. Alonso	0.25	\$90.00
6/11/2008	Brief review of notice of consent decree published in Federal Register.	M.C. Connelly	0.30	\$121.50
6/11/2008	Review Federal Register notice of Settlement.	R. Alonso	0.25	\$90.00
6/13/2008	Attention to mechanics of additional answer deadline extension and telephone conference with D. Gunter regarding same; revise motion for extension language to reflect changed factual circumstances and send draft motion to D. Gunter for review and approval.	M.C. Connelly	2.50	\$1,012.50

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Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
6/16/2008	Review comments from D. Gunter to motion to extend time and respond; revise motion to extend time and transmit to parties for approval; attention to revisions by D. MacCourt; finalize and file motion for extension of time.	M.C. Connelly	1.80	\$729.00
6/17/2008	Draft email to N. Wodka on update of attorneys' fee issue.	R. Alonso	0.25	\$90.00
6/19/2008	Attention to order granting extension of time to answer for Defendants and discuss same with J. Holmstead and R. Alonso.	M.C. Connelly	0.50	\$202.50
7/7/2008	Attention to correspondence regarding strategy for response to State of New Mexico's motions for admission pro hac vice and review draft response.	E. Pérez	0.60	\$170.10
7/7/2008	Prepare for and participate in conference call with C. Connelly, D. MacCourt and R. Alonso regarding filing from NM Attorney General.	J. Holmstead	2.60	\$1,813.50
7/7/2008	Attention to motion to appear pro hac vice by the State of New Mexico; communicate with co-counsel regarding New Mexico Attorney General developments; conference call with co-defendants regarding strategy to address New Mexico pro hac vice application; analyze potential response to pro hac vice application by New Mexico; draft response to pro hac vice application.	M.C. Connelly	4.50	\$1,822.50
7/7/2008	Review motion filed by New Mexico AG; attend conference call on how to respond to motion.	R. Alonso	1.50	\$540.00
7/8/2008	Attention to further correspondence regarding and revised draft response to State of New Mexico's motion for admission pro hac vice.	E. Pérez	0.40	\$113.40

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Connelly - \$405 / \$440

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Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
7/8/2008	Communicate with co-counsel regarding strategy for response to New Mexico motion for admission; revise draft response to motion for admission.	M.C. Connelly	1.00	\$405.00
7/9/2008	Attention to email from C. Connelly summarizing conversation with New Mexico AG regarding the State's planned motion to intervene.	E. Pérez	0.10	\$28.35
7/9/2008	Prepare for and attend meeting with D. MacCourt and G. Smith; exchange emails with C. Connelly regarding New Mexico motion; discuss same with R. Alonso.	J. Holmstead	2.00	\$1,395.00
7/9/2008	Telephone conference with S Cohen regarding New Mexico Motion to Intervene; communicate with co-plaintiff and client regarding Motion to Intervene strategy; additional call with S Cohen regarding Plaintiffs' position on Motion to Intervene; review order granting New Mexico's Pro Hac Vice application and communicate with co-counsel regarding same.	M.C. Connelly	1.20	\$486.00
7/9/2008	Discussions with S. Snyder on preparing attorneys fees petition to begin negotiations with U.S. on fees issue; discussions with D. MacCourt on project issues; attention to and draft emails on New Mexico motion to intervene.	R. Alonso	1.25	\$450.00
7/10/2008	Research regarding deadline for response to State of New Mexico's motion to intervene; telephone conference and correspondence with C. Connelly regarding same.	E. Pérez	0.70	\$198.45
7/10/2008	Review New Mexico motion to intervene; exchange emails regarding same with Desert Rock team.	J. Holmstead	0.70	\$488.25

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Sheehan - \$650

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Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
7/10/2008	Attention to intervention by State of New Mexico and calculation of response deadline; telephone conference with N. Persampieri regarding interventions of environmental organizations; strategize regarding response to interventions; telephone conference with J. Holmstead regarding intervention status and strategy.	M.C. Connelly	2.50	\$1,012.50
7/11/2008	Review motions to intervene filed by State of Mexico and environmental groups; discuss same with C. Connelly.	E. Pérez	3.30	\$935.55
7/11/2008	Study New Mexico Intervention filings and outline issues for research and analysis; meet with E. Perez regarding analysis of potential response to intervention; communicate with D. MacCourt regarding intervention strategy; communicate with J. Holmstead regarding intervention motions and general response strategy; review assignment and assumption agreement for standing arguments.	M.C. Connelly	3.80	\$1,539.00
7/11/2008	Review and outline strategy to address arguments in New Mexico's motion to intervene in on-going litigation.	R. Alonso	2.00	\$720.00
7/13/2008	Further review of motions to intervene; begin research and review of case law relevant to possible arguments in opposition; discuss and development of arguments with C. Connelly.	E. Pérez	7.20	\$2,041.20
7/13/2008	Study Intervention filings from environmental conservation groups; research Environmental Appeal Board jurisdiction exclusivity; review relevant case law; analyze arguments against intervention; prepare for calls with co-counsel and client tomorrow.	M.C. Connelly	4.00	\$1,620.00

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Connelly - \$405 / \$440

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Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
7/14/2008	Continued research and review of case law, statutes, and regulations relevant to arguments in response to motions to intervene; conference call with C. Connelly, J. Holmstead, and R. Alonso to discuss strategy for response.	E. Pérez	6.30	\$1,786.05
7/14/2008	Prepare for and participate in conference call with J. Sheehan, D. Straussfeld and B&G team regarding New Mexico motion to intervene; prepare for and participate in conference call with EPA and DOJ regarding steps for finalizing CD and possible strategy for motions to intervene; draft arguments for opposition to motions.	J. Holmstead	3.00	\$2,092.50
7/14/2008	Review New Mexico's motion to intervene; participate in conference call with Holmstead, Alonso and Straussfeld regarding	J. Sheehan	1.50	\$975.00
7/14/2008	Review primary jurisdiction cases and materials to support opposition to interventions; prepare for call with client on intervention strategy; participate in conference call with client to determine strategy for interventions and case; study standing issue; explore potential arguments based on Administrative Procedure Act; review arguments drafted by J. Holmstead against motions to intervene and discuss with E. Perez.	M.C. Connelly	4.80	\$1,944.00
7/14/2008	Review motions to intervene; attend conference call with Sithe; discussions with C. Connelly on outline of motion; review outline to CAA substantive issues raised.	R. Alonso	2.50	\$900.00
7/15/2008	Continued research and begin drafting response to motions to intervene; discuss with C. Connelly and attention to correspondence regarding same.	E. Pérez	5.80	\$1,644.30

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Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
7/15/2008	Review comments on Consent Decree; confer with R. Alonso.	J. Holmstead	1.40	\$976.50
7/15/2008	Work with E. Perez on response to intervention strategy; review and revise draft response to New Mexico Intervention Motion.	M.C. Connelly	2.80	\$1,134.00
7/15/2008	Research and review public comments submitted to proposed consent decree.	R. Alonso	1.00	\$360.00
7/16/2008	Continued research and review of cases, statutes, and regulations relevant to response to motions to intervene; continue drafting of response and development of arguments.	E. Pérez	6.60	\$1,871.10
7/16/2008	Revise and draft sections of Response to New Mexico Motion to Intervene; research regulations governing permit application and appeal process; communicate with D MacCourt regarding dismissal procedure and strategy; review new version of Response to Motion to Intervene and provide comments to E. Perez.	M.C. Connelly	4.50	\$1,822.50
7/17/2008	Continued drafting of response and development of arguments in opposition to motions to intervene; discuss same with C. Connelly; review public comments on proposed consent decree filed by State of New Mexico.	E. Pérez	5.20	\$1,474.20
7/17/2008	Meet with E. Perez regarding development of legal arguments against intervention motions; work with J. Goodnight to identify instances in which intervenors had participated in administrative permit process; review and revise draft response to motions to intervene.	M.C. Connelly	3.60	\$1,458.00

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 Connelly - \$405 / \$440
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 Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
7/18/2008	Continued research and review of cases, statutes, and regulations relevant to response to motions to intervene; continue drafting of opposition and development of arguments; discuss and correspond regarding same with C. Connelly.	E. Pérez	6.80	\$1,927.80
7/18/2008	Review comments submitted by intervenors to draft permit; extensive work drafting and revising response to motions to intervene; numerous communications with R. Alonso and J. Holmstead about arguments and strategy; meet with E. Perez regarding response argument development.	M.C. Connelly	4.50	\$1,822.50
7/22/2008	Telephone conference with C. Connelly to discuss status of case and response to motions to intervene.	E. Pérez	0.10	\$28.35
7/23/2008	Various telephone calls with D. Straussfeld regarding permit; conference call with B. Doster and D. Gunter regarding lawsuit.	J. Holmstead	0.80	\$558.00
7/23/2008	Draft letter to Court in effort to prompt ruling on pro hac vice applications for Plaintiffs' research and develop strategy for attorneys' fee claim given potential dismissal of lawsuit upon permit issuance.	M.C. Connelly	2.50	\$1,012.50
7/24/2008	Study consent decree provisions related to dismissal and scope of claims against EPA; telephone conference with J. Holmstead regarding dismissal strategy and response to motions to intervene; draft dismissal notice and attention to intervenor research; review dismissal research to determine best strategy to avoid intervenor objections.	M.C. Connelly	3.80	\$1,539.00

2008/2009 Rates:

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Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
7/25/2008	Telephone call with B. Doster regarding status of permit; review and revise opposition to New Mexico's motion to intervene; exchange emails regarding litigation strategy once permit is issue.	J. Holmstead	2.40	\$1,674.00
7/25/2008	Revise response to motions to intervene pursuant to comments from J. Holmstead; telephone conference with J. Holmstead regarding dismissal strategy.	M.C. Connelly	2.00	\$810.00
7/28/2008	Continued drafting of opposition to motions to intervene and development of arguments; discuss and correspond regarding same with C. Connelly and R. Alonso.	E. Pérez	7.50	\$2,126.25
7/28/2008	Review opposition to motions to intervene; review materials for meeting with NM Attorney General; exchange emails with team.	J. Holmstead	2.50	\$1,743.75
7/28/2008	Telephone conference with R. Alonso regarding Intervention response strategy; review new case law on citizen suit jurisdiction for possible inclusion in Intervention response; revise intervention response draft for client review; attention to case law regarding intervenor ability to object to case dismissal; prepare for call with EPA and DOJ on dismissal and settlement issues; final review of draft response to motions to intervene; draft e-mail to client regarding draft response to motions to intervene.	M.C. Connelly	4.80	\$1,944.00
7/28/2008	Review and edit response to Motion to Intervene in CAA litigation; set up conference call with DOJ and EPA; discussions with C. Connelly and E. Perez on litigation strategy; discussions with Sithe on Motion to Intervene.	R. Alonso	4.25	\$1,530.00

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
7/29/2008	Continued drafting and revision of opposition to motions to intervene and development of arguments; further research and review of additional case law relevant to attorneys' fees in connection with dismissal; discuss revisions with C. Connelly and R. Alonso; attend conference call with client to discuss draft response and strategy regarding dismissal.	E. Pérez	6.90	\$1,956.15
7/29/2008	Review and comment on draft response to Motions to Intervene; conference call with Alonso and Connelly on litigation strategy.	J. Sheehan	2.00	\$1,300.00
7/29/2008	Telephone conference with R. Alonso regarding strategy for call with DOJ and EPA attorneys; participate in call with DOJ and EPA attorneys regarding case procedure following issuance of permit; telephone conference with E. Perez regarding research on attorneys' fee issue in Fifth Circuit; telephone conference with R. Alonso and D. MacCourt regarding recap of call with defense lawyers and strategy; communicate with B. Doster and D. Gunter regarding intervenor case law; attention to revisions to draft response from client; participate in lengthy call with client regarding permit and dismissal strategy.	M.C. Connelly	5.10	\$2,065.50
7/29/2008	Conference call with US on litigation process after permit issues; review and draft response to Motions to Intervene; conference call with Sithe on litigation strategy; discussions with E. Perez and C. Connelly on the same.	R. Alonso	5.00	\$1,800.00
7/30/2008	Finalize revisions to opposition to motions to intervene; discuss same with C. Connelly and R. Alonso; attention to correspondence regarding and filing of same.	E. Pérez	4.20	\$1,190.70

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
7/30/2008	Final review of comments to and final version of Response to Motions to Intervene; assist in preparation of Response for filing; telephone conference with D. Gunter regarding mechanics of Stipulated Dismissal for potential filing this week; study dismissal issues; draft report of call with D. Gunter for client; numerous communications with team and client regarding strategy.	M.C. Connelly	4.80	\$1,944.00
7/30/2008	Prepare for and attend conference call with DOJ and EPA on motion to dismiss; discussion with EPA of status on PSD permit issuance; final review and drafting of Response to Motions to Intervene.	R. Alonso	0.75	\$270.00
7/31/2008	Revise draft stipulation for dismissal; attention to correspondence regarding further revisions and telephone conference with C. Connelly regarding same.	E. Pérez	1.90	\$538.65
7/31/2008	Review final permit; review and revise draft motion to dismiss; review media coverage of final permit; exchange emails with Sithe team, DPA, DPJ, and EPA	J. Holmstead	5.50	\$3,836.25
7/31/2008	Review and comment on draft motion to dismiss; exchange emails with Holmstead and Alonso re same.	J. Sheehan	1.00	\$650.00

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
7/31/2008	Communicate with E. Perez regarding dismissal strategy and contents; review and revise draft stipulation of dismissal; multiple conference with R. Alonso regarding dismissal document and strategy; work on revisions to dismissal stipulation from group and client; communicate with Defendants regarding stipulation of dismissal; review release by EPA on permit decision; communicate with team and client regarding strategy.	M.C. Connelly	5.40	\$2,187.00
7/31/2008	Draft and edit motion to dismiss; discussion with Sithe on permit decision; review final permit and provide comments to Sithe; discussions on next steps with N. Wodka and N. Appleby.	R. Alonso	3.50	\$1,260.00
8/1/2008	Conference call with Alonso and Connelly re motion to dismiss litigation.	J. Sheehan	1.50	\$975.00
8/1/2008	Finalize motion to dismiss litigation; email exchange with DOJ various conference calls with Sithe relating to motion to dismiss.	R. Alonso	2.00	\$720.00
8/4/2008	Finalize memorandum on next steps with Desert Rock Air Permit; various telephone calls with Sithe; review motion to dismiss; telephone calls with DOJ; C. Connelly; E. Perez to discuss motion to dismiss.	R. Alonso	2.00	\$720.00
8/7/2008	Research procedure and case law regarding recovery of attorney fees under Clean Air Act and correspond regarding same with C. Connelly	E. Pérez	4.60	\$1,304.10
8/7/2008	Review analysis of fee claim motion due date and discuss with E. Perez	M.C. Connelly	0.50	\$202.50
8/13/2008	Follow-up research regarding for filing motion for attorney fees and correspond with C. Connelly regarding same.	E. Pérez	1.50	\$425.25

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
8/13/2008	Attention to procedure and deadline for attorneys' fee claim and communication with team regarding negotiations with EPA; communicate with D MacCourt regarding status of dismissal order	M.C. Connelly	1.80	\$729.00
8/14/2008	Review Court orders and communicate with client regarding status of litigation; telephone conference with R. Alonso regarding environmental groups attempted challenge to permit and potential responses; meet with E Perez regarding preparation of response to permit challenge; review petition for review of permit	M.C. Connelly	3.40	\$1,377.00
8/14/2008	Review and prepare settlement letter for settlement of attorney fees.	R. Alonso	1.50	\$540.00
8/15/2008	Telephone conference with R. Alonso regarding preparation of response to petition for review work on response to petition for review	M.C. Connelly	1.80	\$729.00
8/20/2008	Provide research materials to R. Alonso on attorney fee recoverability; communicate with counsel for DPA regarding fee claim	M.C. Connelly	0.50	\$202.50
8/21/2008	review draft demand for fees; research fee and cost recoverability and discuss same with J Holmstead and R Alonso; provide general comments to R. Alonso in fee demand letter; review EAB decision	M.C. Connelly	3.20	\$1,296.00
8/22/2008	Review fee settlement proposal letter to DOJ/EPA; attention to gathering documentation of additional costs for inclusion in letter; research and review rules and case law regarding possibility of extension of deadline to file petition for attorney fees; attention to correspondence regarding same	E. Pérez	3.00	\$850.50

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
8/22/2008	Work with E. Perez on attorney fee application issues; revise attorney fee demand letter; communicate with J Holmstead regarding fee negotiation strategy	M.C. Connelly	2.60	\$1,053.00
8/22/2008	Draft letter and tables to DOJ for settlement fees	R. Alonso	3.00	\$1,080.00
8/25/2008	Begin research regarding requirements for petition fees; review statutes and research case law; correspond with N Wodka regarding Desert Rock's net worth; discuss same with C. Connelly.	E. Pérez	3.50	\$992.25
8/25/2008	Work with E. Perez on motion to recover fees and costs from Plaintiff; research fee recoverability issues	M.C. Connelly	1.50	\$607.50
8/26/2008	Attention to correspondence with client regarding Desert Rock's net worth in connection with drafting petition for fees	E. Pérez	0.50	\$141.75
8/26/2008	Communicate with J Holmstead regarding attorneys' fee claim; work with E. Perez on attorneys' fee claim issues	M.C. Connelly	1.70	\$688.50
8/27/2008	Continued work on researching requirements for fee petition and analysis of case law and statutes regarding deadline for filing petition; discuss strategy regarding same with C. Connelly.	E. Pérez	4.00	\$1,134.00
8/27/2008	Extensive research and analysis of claim for fees, standards for recovery, jurisdiction nature of filing deadline, and governing statutes; prepare for discussions with co-counsel on fee issues; communicate with D. MacCourt and J Holmstead regarding fee issues	M.C. Connelly	8.70	\$3,523.50
8/27/2008	Discussions with J. Holmstead and E. Perez on fee petition	R. Alonso	0.25	\$90.00

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
8/28/2008	Conference call with team regarding strategy with respect to deadline for filing petition for attorney fees; draft joint motion to set deadline; attention to correspondence regarding same	E. Pérez	3.00	\$850.50
8/28/2008	Continue study and research of fee claim and procedure for establishing deadline; telephone conference with J. Holmstead and D. MacCourt regarding fee claim and contact with EPA; review and revise joint motion to establish deadline for fee claim; discussions with co-counsel and finalize motion to set deadline for fee claim; attention to results of J. Holmstead conversation with Defendants on fee claim issues	M.C. Connelly	4.90	\$1,984.50
9/2/2008	Attention to finalizing and filing of motion to set deadline application for attorneys' fees	E. Pérez	0.50	\$141.75
9/2/2008	Attention to finalizing and filing of motion to set deadline for fee claim; communicate with D. MacCourt and D. Gunter regarding original signatures for motion	M.C. Connelly	1.20	\$486.00
9/4/2008	Communication with D. Gunter regarding signature on joint motion to set fee claim deadline.	M.C. Connelly	0.30	\$121.50
9/8/2008	Review order setting deadline for fee application and discuss with team	M.C. Connelly	0.30	\$121.50
10/13/2008	Finalize settlement letter to US on attorney fees	R. Alonso	0.50	\$180.00
10/23/2008	Finalize fee settlement letter to DOJ and send to client for review	R. Alonso	0.50	\$180.00
10/30/2008	Finalize and send fee settlement letter to DOJ; exchange email with DOJ on issues relating to attorney time; discussions with J Holmstead	R. Alonso	1.50	\$540.00
11/10/2008	Discussions with J. Holmstead on attorney fees issue; voicemail to DOJ attorney on same.	R. Alonso	0.50	\$180.00

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
11/12/2008	Researched case law regarding recovery of attorneys' fees in relevant geographic communities.	B. Patton	0.30	\$64.80
11/12/2008	Discuss research request regarding standard for reasonable attorneys' fees with C. Connelly.	E. Pérez	0.30	\$85.05
11/12/2008	Attention to status of fee claim and facilitate research of issues to bolster claim.	M.C. Connelly	0.50	\$202.50
11/12/2008	Telephone conference with DOJ attorney on attorney fees; discussions with C. Connelly and internal emails on research legal fees in the Southern District of Texas to prepare for counter-proposal from DOJ.	R. Alonso	0.50	\$180.00
11/13/2008	Researched case law regarding recovery or attorneys' fees in relevant geographic communities and drafted memorandum for review by C. Connelly.	B. Patton	3.60	\$777.60
11/13/2008	Collect previous research regarding attorneys' fees and correspond with B. Patton regarding research into question of standard for reasonable attorneys' fees recovery.	E. Pérez	0.30	\$85.05
11/13/2008	Review research on attorney fee recoverability and revise memorandum; communicate with R. Alonso and J. Holmstead regarding results of attorney fee research.	M.C. Connelly	0.50	\$202.50
1/6/2009	Attention to fee petition questions from S. Sandmire and negotiation status with EPA.	M.C. Connelly	0.50	\$220.00
1/8/2009	Telephone conference with R. Alonso regarding EPA withdrawal of permit and potential actions in district court; consider dismissal terms and jurisdiction of court.	M.C. Connelly	0.50	\$220.00
1/13/2009	Discuss attorney fees issue with D. Straussfield and J. Holmstead.	R. Alonso	0.50	\$212.50

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
1/14/2009	Reviewed Desert Rock's initial demand for attorneys' fees and EPA's response to that demand.	B. Patton	0.30	\$71.55
1/14/2009	Telephone conference with R. Alonso regarding attorney fee petition strategy; meet with B. Patton regarding preparation of fee petition and research.	M.C. Connelly	0.50	\$220.00
1/14/2009	Discussions with C. Connelly, J. Holmstead and Ater Wynne on fee petition and settlement strategy; telephone discussion with DOJ attorney to setup settlement conference call.	R. Alonso	1.25	\$531.25
1/15/2009	Researched case law and legislative history on the applicability of a "catalyst theory" in the recovery of attorneys' fees relating to Desert Rock's motion for those fees.	B. Patton	6.20	\$1,478.70
1/15/2009	Reviewed timesheet submittals by attorneys working on Desert Rock citizen suit against the EPA and analyzed same under the "reasonableness" inquiry required for recovery of attorneys' fees.	B. Patton	1.40	\$333.90
1/15/2009	Telephone conference with R. Alonso regarding fee petition strategy and arguments; attention to research supporting fee petition and meet with B. Patton regarding same.	M.C. Connelly	1.00	\$440.00
1/15/2009	Telephone conference with DOJ attorney relating to settlement of attorney fees issues; begin drafting settlement letter; conference call with Sam Sandmire with Ater Wynne on coordination of settlement efforts.	R. Alonso	3.50	\$1,487.50
1/16/2009	Researched case law regarding conventional theory of recovery under Clean Air Act's fee shifting provision and began drafting motion for recovery of fees by Desert Rock.	B. Patton	4.60	\$1,097.10

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
1/16/2009	Researched case law regarding recovery or attorneys' fees by attorneys in different geographic areas and compared with attorneys working on Desert Rock citizen suit.	B. Patton	2.70	\$643.95
1/16/2009	Draft and edit letter to DOJ on settlement of fees; calculate, revise demand for fees; discussions with J. Holmstead on the same.	R. Alonso	7.00	\$2,975.00
1/18/2009	Researched relevant rules and examples of applications for attorneys fees in United States District Court for the Southern District of Texas and continued drafting Desert Rock motion for attorneys fees.	B. Patton	1.40	\$333.90
1/19/2009	Researched case law interpreting "some success on the merits" requirement for recovery of attorneys fees under Clean Air Act and updated draft of Desert Rock application for attorneys' fees.	B. Patton	3.90	\$930.15
1/19/2009	Research case law regarding typical lodestar in attorneys fees for relevant Houston and Washington, D.C. markets and updated draft of Desert Rock application for attorneys fees.	B. Patton	3.60	\$858.60
1/20/2009	Researched case law interpreting "chronology" and "public benefit" inquiries of "some success on the merits" and "catalyst theory" arguments for recovery by Desert Rock of attorneys' fees and updated draft of Desert Rock application for attorneys' fees.	B. Patton	8.10	\$1,931.85
1/21/2009	Researched potential adjustments of Laffey matrix as applied by courts in setting lodestar for attorneys' fees.	B. Patton	3.40	\$810.90
1/21/2009	Reviewed past affidavits and began drafting declaration by C. Connelly as to reasonableness of attorneys' fees for Desert Rock application for attorneys' fee.	B. Patton	2.80	\$667.80

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
1/21/2009	Research case law on recovery of attorneys' fees by in-house counsel for potential recovery by J. Sheehan in Desert Rock citizen suit.	B. Patton	1.70	\$405.45
1/21/2009	Attention to correspondence regarding possible extension of deadline for filing of application for attorneys' fees; telephone conferences with S. Sandmire regarding same; discuss options with C. Connelly; attention to filing of motion for extension.	E. Pérez	1.00	\$337.50
1/21/2009	Attention to deadline negotiations for fee petition; telephone conference with S. Sandmire regarding deadline extension.	M.C. Connelly	1.50	\$660.00
1/21/2009	Conference call with S. Sandmire on coordinated attorney fees petition; email exchange and update on petition with C. Connelly.	R. Alonso	0.50	\$212.50
1/22/2009	Updated and edited draft Desert Rock application for attorneys' fees and forwarded to C. Connelly and E. Perez.	B. Patton	2.20	\$524.70
1/22/2009	Researched case law relating to recovery of attorneys' fees by private businesses and updated draft application for attorneys' fees for Desert Rock.	B. Patton	2.10	\$500.85
1/22/2009	Reviewed memo by S. Sandmire regarding recovery of attorneys' fees and revised case law cited therein.	B. Patton	1.90	\$453.15
1/22/2009	Reviewed billing records of J. Sheehan and case law relating to recovery of attorneys' fees by in-house counsel.	B. Patton	0.80	\$190.80
1/22/2009	Discussed with C. Connelly remaining issues to be addressed in Desert Rock application for attorneys' fees.	B. Patton	0.40	\$95.40

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
1/22/2009	Review and revise affidavit in support of attorney fee petition; conference with B. Patton regarding motion arguments; discuss fee petition arguments with R. Alonso; work on evidence to support fee petition; telephone conference with S. Sandmire regarding fee petition research.	M.C. Connelly	3.00	\$1,320.00
1/22/2009	Telephone conversation with DOJ attorney on attorney fees; discussions with C. Connelly on fee petition; emails to DOJ attorney on fee petition.	R. Alonso	1.00	\$425.00
1/23/2009	Researched procedural rules including local, judge's, and federal rules regarding procedure of attorneys' fee dispute after an application has been filed.	B. Patton	2.30	\$548.55
1/23/2009	Researched federal case law relating to attorney fee recovery	B. Patton	2.10	\$500.85
1/23/2009	Research procedural history of recent Enron settlement for purpose of understanding procedure in attorneys' fee dispute in District Court for the Southern District of Texas.	B. Patton	1.70	\$405.45
1/23/2009	Researched federal case law regarding standardization of rate for recoverable fees and updated draft of application.	B. Patton	1.10	\$262.35
1/23/2009	Researched case law regarding ability to recover attorneys' fees for work done litigating those fees.	B. Patton	0.90	\$214.65
1/23/2009	Discussed general legal strategy of Desert Rock application for attorneys' fees with S. Sandmire and C. Connelly and updated draft of application.	B. Patton	0.80	\$190.80
1/23/2009	Reviewed comments of E. Perez and edited draft of Desert Rock application for attorneys' fees and forwarded to C. Connelly for review.	B. Patton	0.60	\$143.10

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
1/23/2009	Updated C. Connelly regarding status of draft application and discussed strategy for its completion.	B. Patton	0.30	\$71.55
1/23/2009	Reviewed Court Order extending deadline for filing application for attorneys' fees and discussed with C. Connelly.	B. Patton	0.10	\$23.85
1/23/2009	Review and revise draft application for attorneys' fees; discuss arguments with B. Patton.	E. Pérez	2.50	\$843.75
1/23/2009	Revise application for fees and communication with R. Alonso regarding evidence to support; meeting with B. Patton regarding revisions to fee application; telephone conference with S. Sandmire regarding fee application filing issues; review order extending time to file fee application.	M.C. Connelly	3.50	\$1,540.00
1/23/2009	Calculate demand for fee petition with no discounted rate; discussions with C. Connelly on fee petition.	R. Alonso	1.25	\$531.25
1/26/2009	Reviewed Environmental Protection Agency's response to Desert Rock's initial demand letter for attorneys' fees and updated declaration of C. Connelly in Desert Rock application for attorneys' fees.	B. Patton	1.40	\$333.90
1/26/2009	Reviewed case law and communication between parties regarding reasonableness of attorneys' fees and updated Declaration by C. Connelly in draft of Desert Rock application for attorneys' fees.	B. Patton	1.40	\$333.90
1/26/2009	Edited language of Desert Rock application for attorneys' fees according to comments of C. Connelly.	B. Patton	0.30	\$71.55
1/26/2009	Email to DOJ relating to fee petition negotiations.	R. Alonso	0.75	\$318.75

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50

ATTACHMENT 1 - CONNELLY DECLARATION**Attorneys' Fees and Costs
Desert Rock Energy Company**

ATTORNEYS' FEES				
Date	Description	Attorney	Hours	Amount
1/29/2009	Draft email on status of attorney fees negotiations with DOJ	R. Alonso	0.50	\$212.50
TOTAL ATTORNEYS' FEES:			653.55	\$286,411.95

COSTS		
Date	Description	Amount
3/27/2008	Database Searches - Westlaw	\$150.29
3/27/2008	Database Searches - Westlaw	\$285.63
4/30/2008	Database Searches - Lexis	\$210.77
5/31/2008	Database Searches - Lexis	\$306.27
5/31/2008	Database Searches - Lexis	\$118.04
7/22/2008	Online Services - Pacer Services Center	\$3.44
7/31/2008	Database Searches - Lexis	\$3,390.85
7/31/2008	Database Searches - Lexis	\$108.73
8/28/2008	Database Searches - Lexis	\$283.29
8/28/2008	Database Searches - Lexis	\$998.37
9/30/2008	Database Searches - Lexis	\$2,122.69
9/30/2008	Database Searches - Lexis	\$3,195.01
10/21/2008	Database Searches - Lexis	\$516.70
10/21/2008	Database Searches - Lexis	\$655.36
10/21/2008	Database Searches - Westlaw	\$164.92
11/18/2008	Database Searches - Lexis	\$282.64
12/19/2008	Database Searches - Lexis	\$420.63
12/19/2008	Database Searches - Lexis	\$706.73
1/30/2009	Database Searches - Westlaw	\$1,627.92
TOTAL COSTS:		\$15,548.28
GRAND TOTAL FEES AND COSTS:		\$301,960.23

2008/2009 Rates:

Sheehan - \$650

Holmstead - \$697.50 / \$700

Connelly - \$405 / \$440

Alonso - \$360 / \$425

Pérez - \$283.50 / \$337.50

Patton - \$216 / \$238.50